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Curacao North Sea Jazz Festival: Through "The Looking Glass"

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The Curaçao North Sea Jazz Festival:

Through “The Looking Glass”



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Table of Contents

Executive Summary	1
Purpose of the Study	6
Data Collection	10
2013 CNSJF by the Numbers.....	11
The 2013 CNSJF Attendees	12
The Experience at the CNSJF	17
Loyalty to the CNSJF	19
CNSJF & the Destination: Loyalty Overtones.....	19
The Economic Impact of the CNSJF	22
Direct Spending	24
The Total Economic Impact	26
THE ROAD AHEAD	27
ANNEX	31



Executive Summary

Introduction

The study was commissioned by Fundashon Bon Intenshon (FBI), through its sole Director and Founder, Mr. Gregory Elias, and was conducted through an intercept survey on site during the two major concerts on August 30 and 31, 2013. The study was carried out by the Dick Pope Sr. Institute for Tourism Studies (DPITS) of the Rosen College of Hospitality Management at the University of Central Florida. This is the fourth time in a row that the DPITS conducts the study on behalf of FBI.

This report documents the economic contribution and the experience of the international visitors attending the Curaçao North Sea Jazz Festival (CNSJF). The CNSJF' music pre-eminence and performance is well known and is exposed through multiple publications by the international media. The CNSJF economic contributions provide a major spurt to the tourism sector in Curaçao. The 2013 festival featured two major concerts on August 30 and August 31. The current study differs from the previous three reports in terms of the economic impact of the festival in that the focus of attention is only on the spending behavior and impact of the international visitors.

The festival's context

The 2013 festival was surrounded by uncertainty which affected the attendance to the festival. The confluence of the ongoing recession in the Netherlands and the supply-side constraints in the Curaçao tourism industry put pressure on this year's festival. For example, the weak spending behavior of the Dutch market spurred by the economic recession was greatly felt in the attendance at this year's festival. The Dutch economy has shrunk over the past two years and there seems no end in sight regarding its downward trend. The economic recovery is feeble and employment continues to suffer. The weak economy has significantly reduced the vacation intentions of the Dutch¹ to the extent that the Dutch inbound markets have experienced a strong dip in number of Dutch travelers². Another unexpected external factor that affected the attendance at the festival was the sudden bankruptcy of the Curaçao carrier Dutch Antilles Express (DAE). This bankruptcy significantly affected the accessibility to Curaçao from nearby markets such as Aruban festival aficionados. Due to capacity constraints and the short time notice it was not possible to quickly find an alternative carrier to fill the void in the market.

Key Findings

High Value Customers

Despite the unprecedented uncertainty surrounding the 2013 festival, the festival returned significant benefits to the island in terms of image-building and image enhancement and economic activities. This year's event attracted 4,332 international

¹ See, for example, NRIT Media, NBTC Holland Marketing and CELTH (2013). *Trendrapport toerisme, recreatie en vrije tijd 2013*.

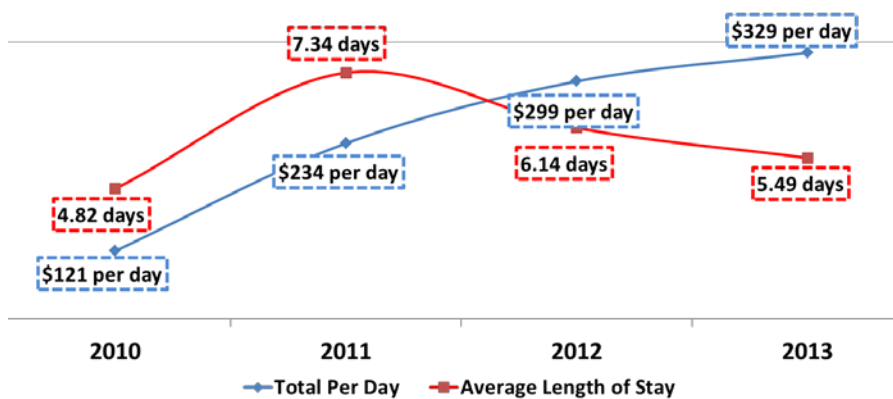
² For example, some destinations in the Caribbean have experienced a significant drop in Dutch arrivals during the first nine months of 2013



visitors, which although 2,000 less when compared to 2012 was almost twice as many tourists compared to the initial year of the festival in 2010.

Eighty percent of these visitors or 3,310 were on the island of Curaçao for the sole purpose of the festival. Each international visitor stayed 5.49 nights on average, while the party size was 2.23. The spending per tourist per day was US\$328.00. This amount was 10 percent more than the spending per tourist per day (US\$299.00) in the previous year and a record 171 percent increase when compared with the first year of the festival in 2010. The remarkable high spending per tourist is a surprising accomplishment particularly in light of the gravity of the Great recession and gripping uncertainty in the global markets.

Figure 1 Evolution of Per Day Spending and Average Length of Stay



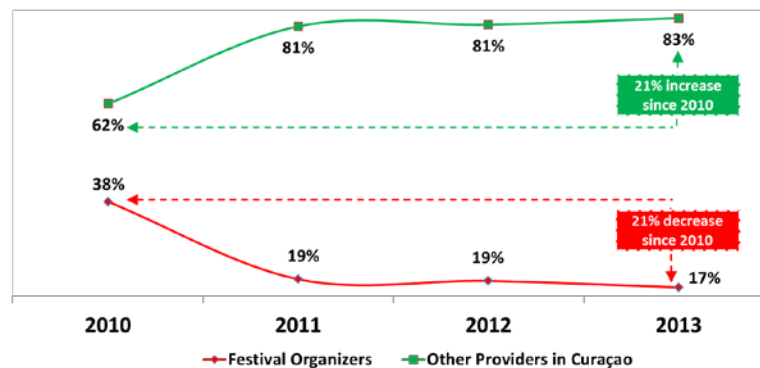
Huge spill-over effects

The impressive increase in spending is an indication of the draw power of the festival to attract high value customers whose spending numbers have increased steadily over the festival's four year production. Overall, tourists spent more money on hotels (32%), tickets (17%), car rental (12%), restaurants (11%) and night life (9%). An interesting observation is that only 17% of the tourists' direct spending was absorbed by the festival (i.e. the organizer). This observation provides support regarding not only the economic benefits that impact the island of Curaçao; but also the level of dedication that the festival organizer has committed to the success of the event. This commitment has resulted in the island becoming the main beneficiary of the positive outcomes derived from the event whereas the organizer's success has been defined by the event attendees' satisfaction. In other words, 83% of the direct tourist' spending went to suppliers and service providers on the island of Curaçao, indicating the spill-over power of the festival.

The festival has increasingly grown stronger in its spill-over effects to the island. For example, the spill-over effects increased by 34 percent from 2010 to 2013. It provides an important form of economic activity for the island and the industry sectors that serve as hosts for international visitors. While of short duration, the CNSJF has shown to attract significant inflows of dollars from non-local visitors and serves as an important form of economic stimuli and support for local businesses.



Figure 2 Share of Economic Benefits (Organizers vs. Other Providers in Curaçao)



Sizeable economic contribution

The total direct economic impact amounted to US\$4.34 million dollars. The indirect economic impact was estimated at US\$3.46 million, which means that the total economic contribution to the economy spawned solely by visitors amounted to US\$7.8 million. While the latter amount is US\$6.6 million less when compared to 2012, this amount is still twice as much when compared to the inception of the festival in 2010 (US\$3.9 million).

In review of the results from this year’s data, an important observation to note is that the international festival attendees decreased their number of nights stay in Curaçao by two (-2) days. Based on the average spending per person per day, those two days meant a potential loss in revenue that exceeded US\$5 million to the local economy. In other words, if an average international festival attendee has stayed in Curaçao two more days, the total economic impact would have increased to US\$12.8 million. When considering this statistical offset, the difference in economic impact between 2012 and 2013 would have been US\$1.6 million.

This inflow and spread of money throughout the economy boosted the local economy and encouraged growth. In fact, the festival has become an important boon for the island and the tourist industry. During the four years of its existence, the festival based on tourists’ spending alone has generated a total of US\$39 million to the local economy. This amount represents 1.4 percent of the Curaçao annual GDP or 10 percent of tourist receipts in 2012. The US\$40 million in economic value that the CNSJF has brought to the island of Curaçao over the past four years demonstrates how a music festival can support a local economy in a big way. A number of islands in the Caribbean have noticed the sizeable economic contribution of the CNSJF and are seeking ways of creating a similar economic catalyst through a music festival.³

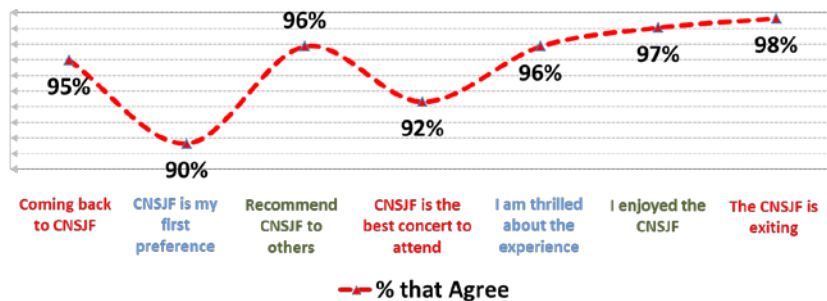
³ While music festivals in the Caribbean have proliferated in recent times, they have not been able to spawn a similar significant economic impact as the CNSJF. Festivals, such as the Jamaica Jazz and Blues Festival, Saint Lucia Jazz & Arts Festival, the St. Kitts Music Festival, the Reggae Sumfest Festival and the Aruba Soul Beach Music Festival, lack the financial muscle, the experience and organizational skills to attract marquee-name acts. See, for example, <http://www.billboard.com/biz/articles/news/touring/1083964/how-summer-music->



Loyal Customers

The festival has attracted a growing number of repeat attendees compared to previous years. More than forty percent of those attendees whose main reason for a visit to Curaçao was attending the festival were repeat visitors to the festival. They booked with a lead time exceeding three months in advance of the festival, they were the most satisfied with their experience at the festival, and, therefore, they are more likely to come back and recommend the festival to others. Ninety percent of repeaters attended both nights of the festival. Repeat visitors to the festival are increasingly attending both days of the festival (two days) and spent 6.15 nights on the island. The length of stay of this group was higher than the average stay of all international visitors. Repeaters are staying on average an additional three nights roaming, spending, and buying the island offerings. Their experience shapes their after-talk with others and hence has become an important source of information diffusion about the festival.

Figure 3 Attendees Commitment and Attitudes towards the CNSJF



The international visitors reported being thrilled by the way the festival has managed factors shaping their experience, such as an attractive site, entertainment, line-up, and excitement of the event exceeded beyond the music content that attendees enjoy the festival for their own sake. These factors have fostered a high level of satisfaction and commitment, manifested by 92 percent of international visitors defining the CNSJF as the best concert they have attended thus far, while 90 percent reported the festival as their first choice when considering attending a music festival in the future. The anatomy of the festival, seen through the manifested experience and the premium price paid, is **a rare accomplishment in the global music festival landscape**. There is a clear correlation between the audiences' experience and consumption. In other words, the audiences' experience seems to have a large impact on consumption.

The danger of a saturation point

Loyalty to the festival however, could be dangerously reaching its saturation point. For example, international visitors (repeaters and first timers) to the festival stayed two fewer days in Curaçao, which meant a potential loss in revenue exceeding US\$5 million to the local economy. The saturation point could be inflicted by the meager support from industry, government and community. The sizable contribution of the festival to

[fests-are-helping-caribbean-economies](#). This is one of the reasons why the CNSJF is so attractive to many destinations in the region.



the tourism industry, the local economy, the image of the local people, and its culture was not corresponded with popular excitement regarding this magna music event. It was surprising to the researchers of this study to observe that the promotion of the festival was poorly supported by hotels, restaurants, and shops. There were no banners on the street and no signs of the largest musical celebration on the island. The airport also denied access for the display of promotional material of the festival. The impression was that the festival was poorly supported by those who benefited the most from festival's attendees.

The study also found that locals are playing a disconcertingly small role in convincing visitors to return or recommend the festival and Curaçao as an augmented product. While the festival has instilled memorable experiences to the international visitors to the extent that more than forty percent are returning to the festival the next year, the interaction with the locals and the local culture has not engendered a similar potent influence on their intention to return. The X factor for loyalty seems the festival itself and **not the people and its culture.**

Therefore, the major concern pertaining to this disconnect between the festival and the augmented product is an increasing probability that a breakdown between the image of the festival, which is the core product, and the supporting products (i.e. Curaçao's tourism industry and the locals) will adversely affect the festival's brand resulting in brand erosion. Value for money in the accommodation sector was clearly a weakness for the augmented product. In other words, when the issue of price fairness emerges in the consumption process for international visitors, it means that they feel that the value of the hotel room they purchase is worth far less than the price they pay. When an issue of price fairness occurs, a natural reaction by most consumers is the inability to separate the feeling of having been taken advantage of by one sector from the overall experience on the island. This leaves the international visitors with an overall skewed perception for Curaçao. **Consequently, most of the efforts that were invested by the CNSJF to enhance the image of the island and to expand economic opportunities may be squandered.**

The way forward

The future of the festival requires substantive and substantial support from all stakeholders, including the government and the population at large. While the festival itself is steadily showing an increased buy in from visitors, the augmented product of Curaçao seems to reveal an opposing trend that likely reflects an adverse visitor interest in the Curaçao experience. This opposing trend seems to be reflected in the observed international visitors' reduced length of stay by two days. The reduced days of stay on the island resulted in a substantial opportunity cost to the local economy. Therefore, it is suggested that in the interest of Curaçao, which directly benefits tourism business that all stakeholders commit to and collaborate in supporting to the CNSJF festival.

Without such large scale support, the festival may have seen its best days due to the challenges imposed by the destination's supply constraints, misalignment in pricing in the augmented product (e.g., hotels), value of tourist offerings, as well as the lack of a long term vision regarding the CNSJF role as a powerful development tool.



Purpose of the Study

Fundashon Bon Intenshon (FBI), through its sole Director and Founder, Mr. Gregory Elias, commissioned for the fourth time the Dick Pope Sr. Institute *for* Tourism Studies (DPITS) of the Rosen College of Hospitality Management at the University of Central Florida to conduct an economic impact study as well as to assess visitors’ satisfaction of the Curaçao North Sea Jazz Festival (CNSJF). The CNSJF, held at the World Trade Center in Curaçao for its fourth consecutive year, has been transformed into a week-long event. This year, the Festival featured two major concerts on August 30 and August 31, 2013.

The CNSJF has been sponsored and organized by FBI, a local foundation established in Curaçao. The foundation signed an exclusive contract with Mojo Concerts, the owner of the North Sea Jazz Festival brand, for the production of a music festival in Curaçao. Mojo is one of the largest event organizers in the Netherlands and is a member of the American conglomerate Clear Channel Entertainment (CCE). CCE is one of the world’s leaders in the productions and marketing of events.

The mission of the FBI is “to put Curaçao tourism at the forefront of the international arena”. The Foundation has been very effective in realizing its mission. The amount of promotion provided to the island of Curaçao due to the festival has been significant, the image of Curaçao has become more positive and stronger, and the economic impact of the festival has been momentous. The extensive media coverage that the festival triggered for the island has crafted a positive image in the minds of potential tourists that have never visited the island before. Over the past four editions, the festival sold over 66,250 tickets in total (10,000 in 2010, 20,535 in 2011, 22,000 in 2012, and 14,250 in 2013). Half of these tickets, nearly 26,000, were sold to international tourists.

Overall, the CNSJF possesses unique characteristics that set it apart from other tourism activities on the island. The anatomy of the event, including its performers, venue, services, and attendees, has made the CNSJF a major social event that represents the heritage and spirit of Curaçao. Historically, the reports conducted by the DPITS since 2010 suggest that the CNSJF has been able to provoke its visitors to interact with interest and curiosity with the Curaçao culture, residents, and visitors alike. The aftereffect of the festival clearly signals its potential to build loyalty and repeat patronage towards the event and the island. The research findings also reveal that the higher the attendees perceived their enjoyment at the festival and the more the festival offered the opportunity to socialize, the more likely attendees are willing to come back to the CNSJF, consider the CNSJF their first preference to attend a festival next year, and recommend to others.

The CNSJF is unique in many ways when compared to other festivals in the region and in the world. For example, hosting festivals and special events unveils opportunities for tourism growth and economic diversification, as well as the overall image of the destination. As a result, these thought-after effects trigger disbursement of general financial aid from the government. However, in the case of the CNSJF, the financial liability and capital support is completely and exclusively funded by the foundation, aiming at enhancing the image of Curaçao as a venue of quality events. Sponsorships from well-established companies which have traditionally been allowed to become



deeply embedded in the festival experience have been thus far completely absent in the experience scape of the CNSJF.

The 2013 edition also added a new feature to its music landscape: the focus on supporting UN Millennium Goals, especially those goals which are related to poverty reduction strategies on a world wide scale. FBI took two specific steps in supporting this goal. First, Harry Belafonte, artist and one of the founders of “We are the World” movement in 1985, made a proclamation during the first night of the event revealing his vision of hope and action global poverty (for his complete remarks see Annex). Additionally, FBI approached the Global Citizen Festival concert in New York to forge collaboration between the two organizations. Collaboration stems from FBI’s strong belief and efforts to help the world free itself from the scourge of poverty. Working together means achieving more in supporting global poverty reduction strategies at a faster pace.

The 2013 festival was surrounded, however, by uncertainty which affected the attendance to the festival. The confluence of the ongoing recession in the Netherlands and the supply-side constraints in the Curaçao tourism industry put pressure on this year’s festival. For example, the weak spending behavior of the Dutch market spurred by the economic recession was greatly felt in the attendance at this year’s festival. The Dutch economy has shrunk over the past two years and there seems no end in sight regarding its downward trend. The economic recovery is feeble and employment continues to suffer. The weak economy has significantly reduced the vacation intentions of the Dutch⁴ to the extent that the Dutch inbound markets have experienced a strong dip in number of Dutch travelers⁵. Another unexpected external factor that affected the attendance at the festival was the sudden bankruptcy of the Curaçao carrier Dutch Antilles Express (DAE). This bankruptcy significantly affected the accessibility to Curaçao from nearby markets such as Aruban festival aficionados. Due to capacity constraints and the short time notice it was not possible to quickly find an alternative carrier to fill the void in the market.

The DPITS at the Rosen College of Hospitality Management at the University of Central Florida is assisting the festival organizer for the completion of this report for the fourth time. The DPITS has substantial and significant experience in economic impact modeling and reporting as well as measuring satisfaction levels and its implications. The current study departs in a number of significant ways from the previous three studies. First, the study is embedded in the “experience economy” framework, unlike the focus on the link between motivation and behavioral intentions as applied in past studies. Past studies found that motivation is not in the “product” itself but rather in the emotions, communion, and experiences of festival-goers. In other words, the experiential aspects of the festival seem more important than the pure content of the festival. Therefore, the study integrated the concept of experience as the main construct to discover the respondent’s behavioral intention to attend the festival. Second, unlike past studies, this year’s survey did not query locals (residents) because the investigators considered that

⁴ See, for example, NRIT Media, NBTC Holland Marketing and CELTH (2013). *Trendrapport toerisme, recreatie en vrije tijd 2013*.

⁵ For example, some destinations in the Caribbean have experienced a significant drop in Dutch arrivals during the first nine months of 2013



the awareness of the festival among locals was clearly established. The results of this study are therefore solely based on the perception and spending of tourists.

The study provides valuable insights regarding the attendees’ experience from attending the festival and how this impacts their future intentions. Since live music is an “experience good”, demand is dependent on the attendees’ expected utility. Therefore, the measurement reflects the benefits and experience during and after the consumption.

The study estimates the economic benefits for Curaçao via analyses of festival respondents’ spending. The study also provides important information about the relatively unknown manifestation of Curaçao’s human intellect, represented by its people and culture, thus allowing destination managers to better anticipate and to respond to the impact. Moreover, it offers germane information for the organizer in terms of understanding the event and audiences for purposes of developing and improving marketing efforts, new product offerings, nurturing existing partnerships, and fostering new ones. Finally, the report contemplates the meaning of the festival to the local community, emphasizing value creation, potential development, and branding of the destination.

The Survey

The study applied a survey instrument to acquire information from the respondents and to gauge their perceptions of the experience at the event, their behavioral intentions, and their spending behavior. The survey design emanates from a theoretical framework founded on “the experience economy” that reflects the overall experience at the music festival. This framework is relevant in assessing the offerings for event attendees, as a means to gauge the satisfaction level of attendees and provides an understanding of the attendees’ decision-making processes.

The survey contains predictors relevant to a music festival. It included a total of five sections, consisting of 52 questions. The survey queries how attendees evaluate their experience at the festival; isolates their demographic profile; identifies their satisfaction levels; discovers whether they will return or provide a referral (behavioral characteristics) to prospective attendees; and, finally, ascertains how much they spend at the festival.

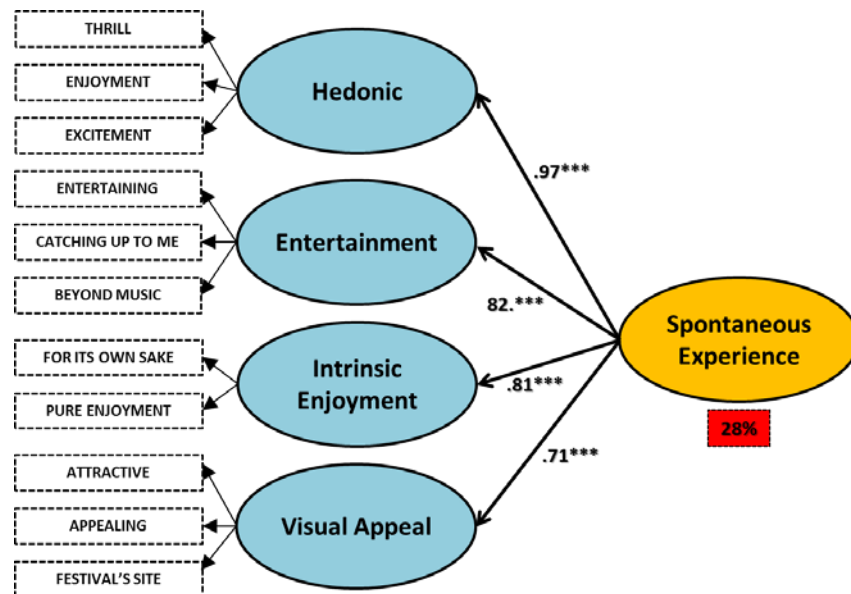
The respondents’ perceptions of the experience festival consist of 2 major dimensions. First, the “*Spontaneous Experience*” considers the Hedonic Value, Entertainment, Enjoyment, and the Visual Appeal. The second dimension, “*The Ultimate Experience*”, includes Memory, Excellence, Efficiency, Escapism, Cultural Value, and Economic Value. Overall, these 10 experience categories were measured by considering 30 specific items. The survey instrument also facilitates exploring if a causal relation among these variables exists.

The questions related to the spending behavior of the respondents are aimed at estimating spending economic impact to the island. Satisfaction is measured by an overall mean. The assessments of the experience are the result of multi-dimensional interaction amongst a number of variables that are rated by the festival attendees.



Crucial in the analysis is the separation or identification of respondents who specifically visit Curaçao for attending the CNSJF from those that come for other purposes.

Figure 4 Theoretical Framework for Curaçao North Sea Jazz Festival Survey (Spontaneous Experience)

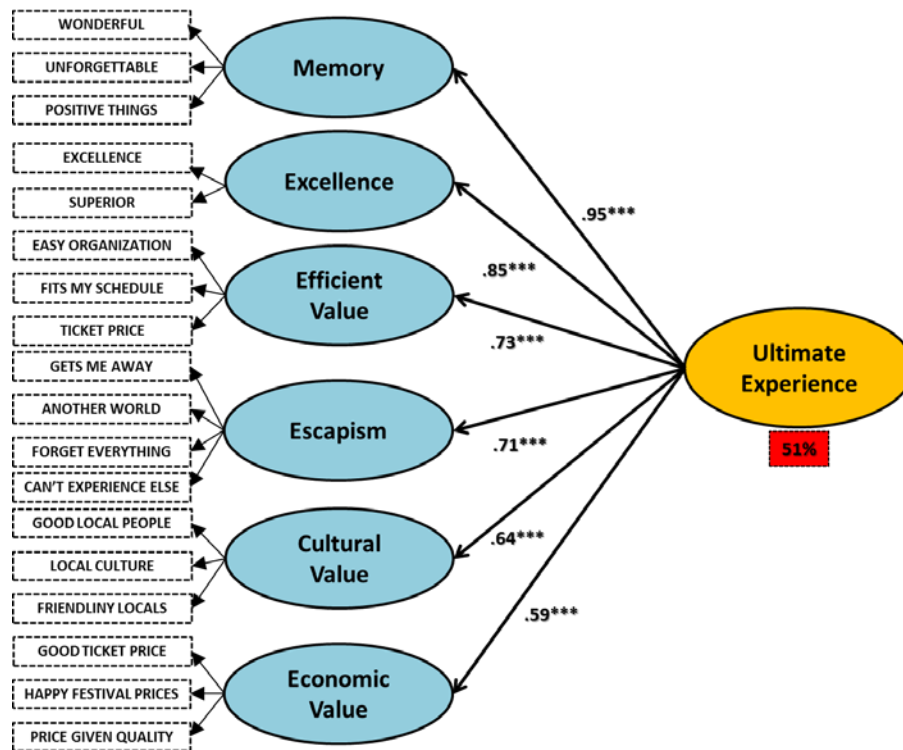


Various questions from the survey aim at discovering respondents' opinion of their experience of the festival and whether or not they intend to revisit the destination. The variables selected for the statistical analysis are depicted in Figures 4 and 5. The “*Spontaneous Experience*” is explained mainly by the Hedonic Value, Entertainment, and Intrinsic Enjoyment ($R^2=28\%$). The Visual Appeal was important, but not as strong the latter (see Figure 4). In Figure 5 the drivers of the “*Ultimate Experience*” is presented, explained mainly by Memory, Excellence, Efficiency, and Escapism ($R^2=51\%$).

Similar to 2012, a question regarding respondents' marital status was included in the survey. The inclusion of this question is due to observations made at other festivals of the growing significance of “Solo Dwellers” and Female participants. A “Solo Dweller” is described as a festival attendee who is currently lives by himself/herself. Whether an individual is married, single, divorced or widowed has become an important variable in demographic segmentation for marketing purposes. Not paying special attention to this new phenomenon observed at other festivals could underestimate and undervalue these segments thereby missing the opportunity of understanding and maximizing the presence of these segments at future editions of the festival.



Figure 5 Theoretical Framework for Curaçao North Sea Jazz Festival Survey (Ultimate Experience)



Data Collection

Data collection took place at key locations during the festival, e.g. near the concession stands, resting areas, and exit areas. In order to insure a random sampling of attendees, the survey was conducted on both days of the festival from different positions on the festival site. As an incentive in soliciting survey participants, participants received a souvenir (baggage name tags) from the Curaçao Tourism Board (CTB). Data collectors from the CTB were trained by members of the DPITS for collecting data and conducting the survey accordingly. The training took place at the CTB offices Thursday before the event. In all, two supervisors from the DPITS (during both nights), one supervisor from the CTB (during both nights), and a group of 10 data collectors from the CTB conducted the surveys.

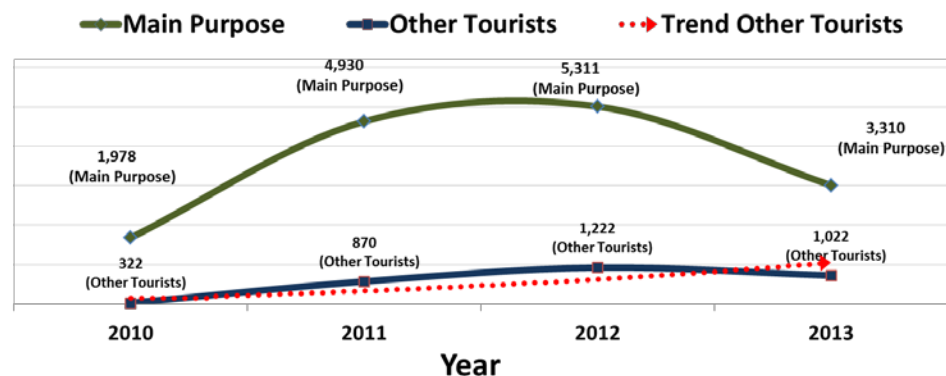
At the end of each day, the supervisors counted and numbered all the surveys collected. To ensure the sample was representative, the supervisors also evaluated the place of origin from the attendees to ensure participation from all tourists. The week following the event, the data collectors entered the survey information into a web-based database developed by the DPITS. Once all the data was entered, the researchers from the DPITS evaluated the data to search for duplicates, data entry errors, or any incomplete or missing information.



2013 CNSJF by the Numbers

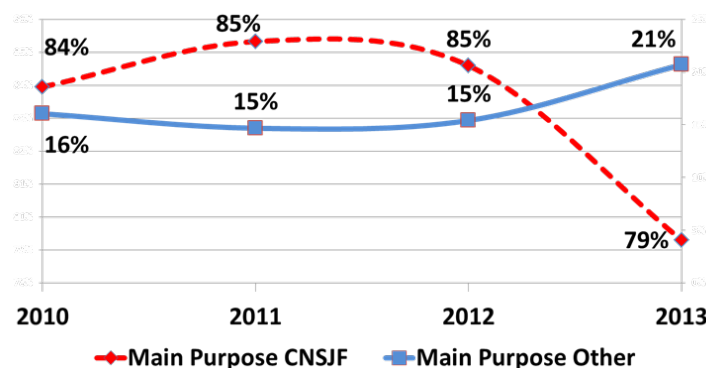
A total of 429 respondents participated in the survey. The survey represented 10% of the total tourists that attended the festival. Overall, 2013 ticket sales totaled 14,250, representing nearly 7,750 less tickets than 2012. In 2013, the total number of international tourists attending the event decreased significantly when compared to 2012 and 2011. The number of tourists whose main purpose was to attend the festival dwindled from 5,311 in 2012 to 3,310 in 2013. The 2013 figure, while lower than 2012 and 2011, is still significantly higher than 2010. The complete distribution of the festival attendees is presented in Figure 6.

Figure 6 Tourists Attending CNSJF (2010 to 2013)



On the other hand, the number of tourists whose main purpose for visiting Curaçao was not the festival remained practically the same. It is important to point out that a significant number of tourists whose main purpose for visiting Curaçao was attending the festival. In fact, 79 percent attributed their presence on the island due to the festival (See Figure 7). While this proportion has slightly decreased compared to previous years, the festival remains a strong draw for tourists. In fact, eight out of ten tourists attending the festival would not have visited the island were it not for the festival. This is an incredible accomplishment when compared to other music festival where the venue or destination plays a major role in attracting visitors. Viewed from this perspective, the festival is a major force in supporting the tourism industry and jobs on the island.

Figure 7 Distribution of Attendees: Main Purpose CNSJF vs. Other Purpose (2010-2013)





The festival has experienced a number of external drawbacks, such as the last minute cancellation of a signature artist and the sudden bankruptcy of a major regional air carrier from Curaçao. While the first drawback was quickly resolved by featuring another signature artist, the second major drawback turned out to be insurmountable. Simply said, the island did not have an alternative to replace the bankrupt local carrier. The 2012 report already signaled some challenges that supply constraints could be imposing on the festival (see page 46 of the 2012 Report), such as accessibility to the island.

The 2013 CNSJF Attendees

Demographic profiles provide a clear picture of the attendees segments that are attracted to the live music product. The profiles are contrasted in terms of characteristics of education level, income, age and gender.

The demographic profile of the respondents of the festival remains positive. The festival continues to attract a high educated and affluent base of attendees. Four out of ten respondents had a graduate degree and more than half (56%) of respondents earned more than US\$50,000. These characteristics are aligned with other studies which indicate that attendees of music festivals are considerably homogenous as they are more highly educated and enjoy higher earning. This is a significant profile characteristic because more affluent attendees tend to spend more money than less affluent attendees.

Table 1 Tourists Profile (2010-2013)

Tourists	2010	2011	2012	2013	Δ from 2012
Education					
High School	10.90%	17.30%	15.30%	18.44%	3.14%
Undergraduate Degree	49.30%	43.10%	40.30%	39.39%	-0.91%
Master/Doctorate	39.70%	36.40%	44.50%	42.18%	-2.32%
Salary					
Less than US\$25,000	11.80%	5.90%	5.60%	8.06%	2.46%
US\$25,000-US\$29,999	13.50%	2.30%	8.40%	6.23%	-2.17%
US\$30,000-US\$39,999	11.80%	10.10%	9.30%	13.19%	3.89%
US\$40,000-US\$49,999	10.10%	27.60%	17.30%	16.85%	-0.45%
US\$50,000-US\$74,999	10.10%	24.80%	21.50%	22.71%	1.21%
US\$75,000-US\$99,999	22.00%	14.20%	16.80%	20.88%	4.08%
US\$100,000 & over	20.30%	14.70%	21.00%	12.09%	-8.91%
Age					
Average Age (years)	45.5	45.7	44.9	44	-0.9
Gender					
Male	53.00%	49.30%	37.60%	40.86%	3.26%
Female	47.00%	53.60%	62.40%	59.14%	-3.26%



Taken stock of the age factor is relevant in music festival because studies have indicated that musical preference varies according to age. The average age of the respondents is 44 years old, which clearly reveals the presence of Generation X (47%) as the backbone of the festival, featuring a group of persons in their prime-income earning year. Together with Baby Boomers (37%), these two segments represent almost nine of every ten tourists to the festival.

In addition, the overwhelming majority of respondents represent the female group, similar to previous years. The significant presence of female attendees confirms observations of other studies that females are becoming an important potential mainstream at festivals. The attendance of females at this festival signals valuable marketing information to FBI. For example, female attendees are sought out because they tend to be significant spenders at festivals.

Figure 8 Generation Categories

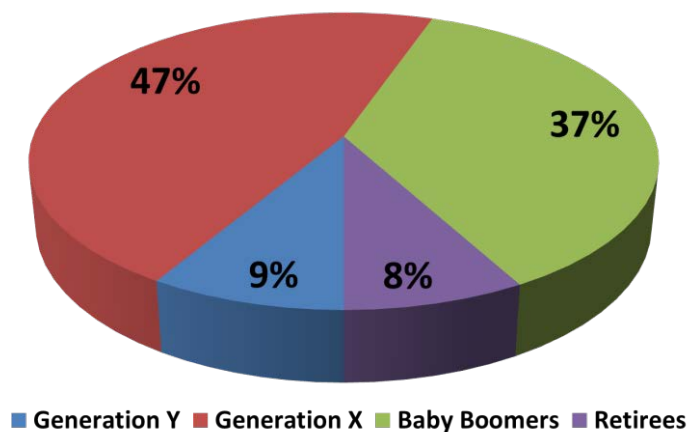
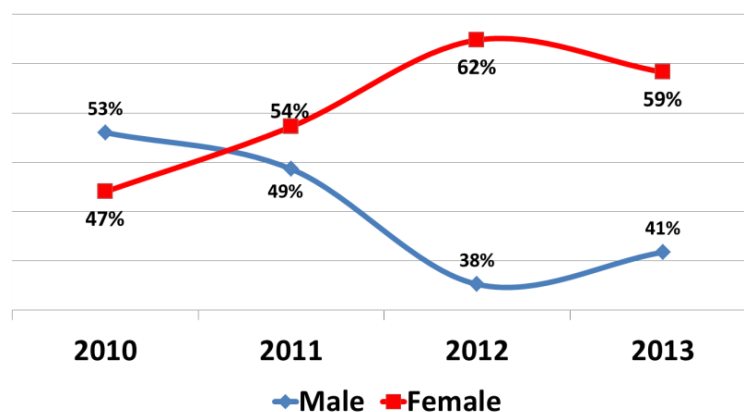


Figure 9 Gender: Male & Females (2010-2013)

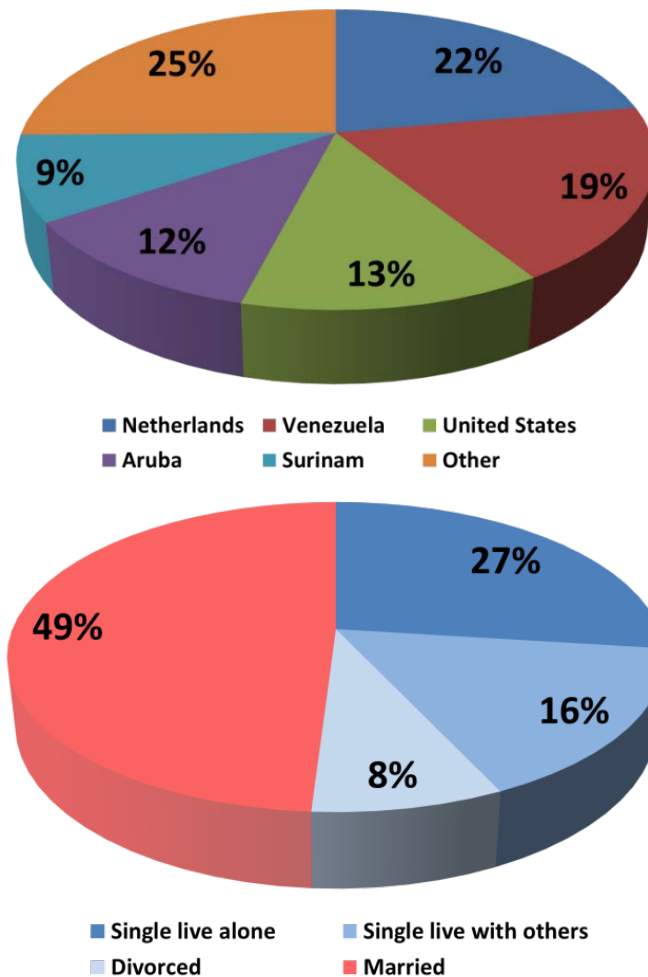


The respondents were mainly from the Netherlands (22%), Venezuela (19%), the United States (13%), Aruba (12%), and Suriname (9%). Venezuela and the United States are the two source countries with significant increases in attendees, while the Netherlands, Aruba and Suriname displayed decreases in visitors compared to past years. The 33



percent decrease in Aruba may be attributed to the cancellation of flights due to the bankruptcy of the local carrier. The segment of “Other” also reported a significant increase compared to the previous year. The three distinct segments which were identified in our 2012 report, i.e., the Dutch Caribbean, Island Hoppers, and U.S. Hispanic has consolidated themselves as a preeminent group attending the festival. Figure 10 reveals the source countries as reported by respondents. In addition, nearly half of all tourists attending the festival reported being singles, which is consistent with the growing trend of singles attending the festival.

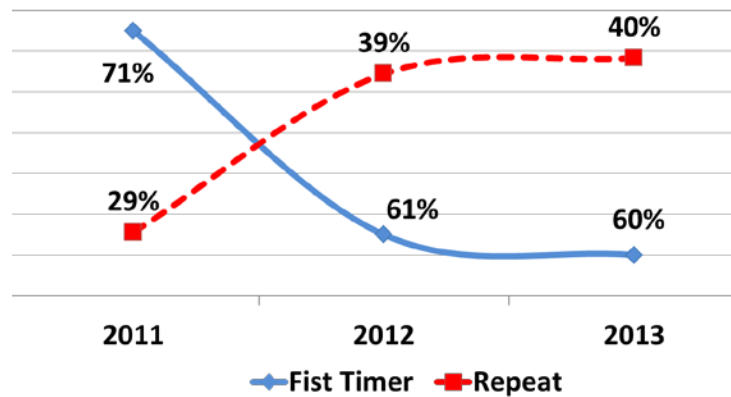
Figure 10 Country of Origin & Relationship Status



Respondents continue to display a clear positive trend in terms of loyalty. Forty percent of respondents indicated that they have visited the festival before, which is a 2.6 percent increase compared to the previous year and a 38 percent increase compared to 2011. The festival has revealed a momentous attraction for a large loyalty base of attendees. This accomplishment is also highly unusual in the music festival landscape (See Figure 11).



Figure 11 Repeat Visitors to the CNSJF 2011 to 2013 (Main Purpose CNSJF)



Respondents behaved differently in terms of booking their tickets to attend the festival. For example, the lead time pattern clearly moved, peaking at a one to three months booking window. It is not clear why this shift occurred, but it should be a matter of concern for those who market and promote the festival. The reason for concern is that lead time to a music festival is an indication of the spending level of attendees. In general, it is expected that those who decide to attend the festival a long time in advance tend to spend more money than those who decided to attend more recently.

The behavior of attendees revealed in the previous paragraphs, however, does not comport to the booking behavior of first time visitors to the festival. In fact, first time visitors applied even shorter lead time than the average booking time. For example, one out of two first timers booked their tickets within a month of event (See Figure 13).

On the other hand, repeat visitors to the festival revealed complete different booking behaviors than first timers. Repeat visitors tend to book their tickets with a longer lead time. Six out of ten repeat visitors booked more than three months in advance. This is an indication of the strong appeal of the product, *vis-à-vis*, of this particular segment.

Figure 12 Reservation windows (2010 to 2013)

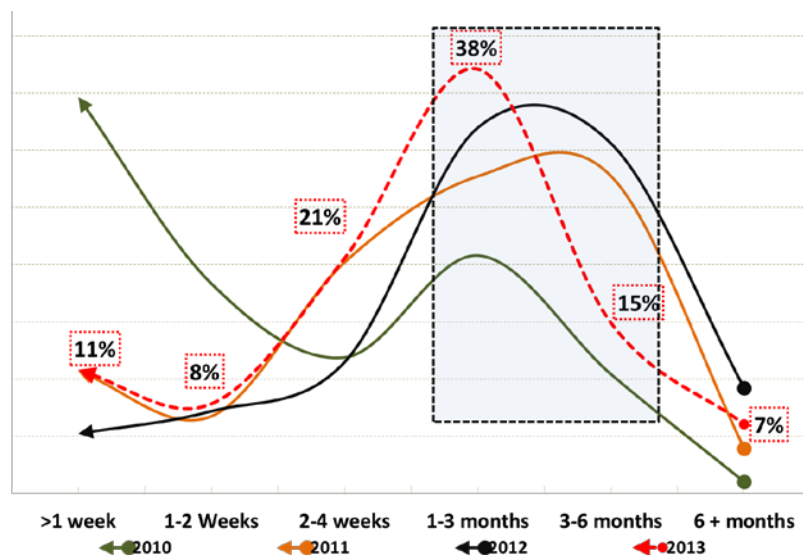




Figure 13 Reservation windows First Timers Only (2011 to 2013)

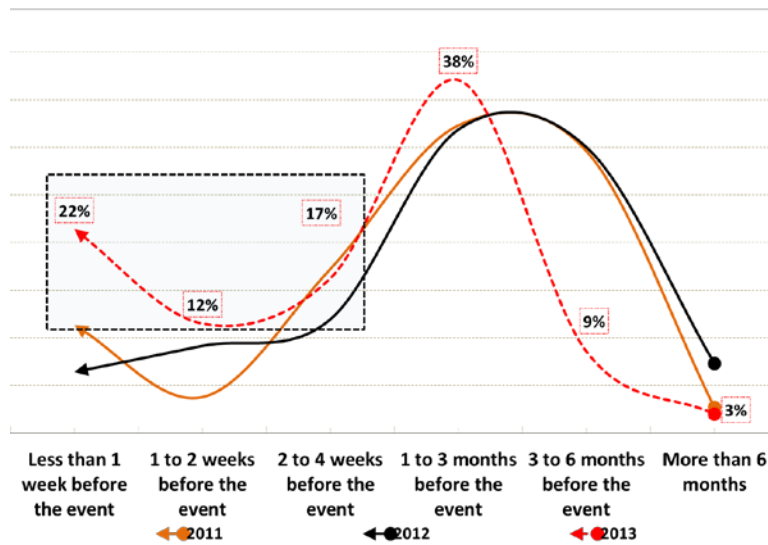
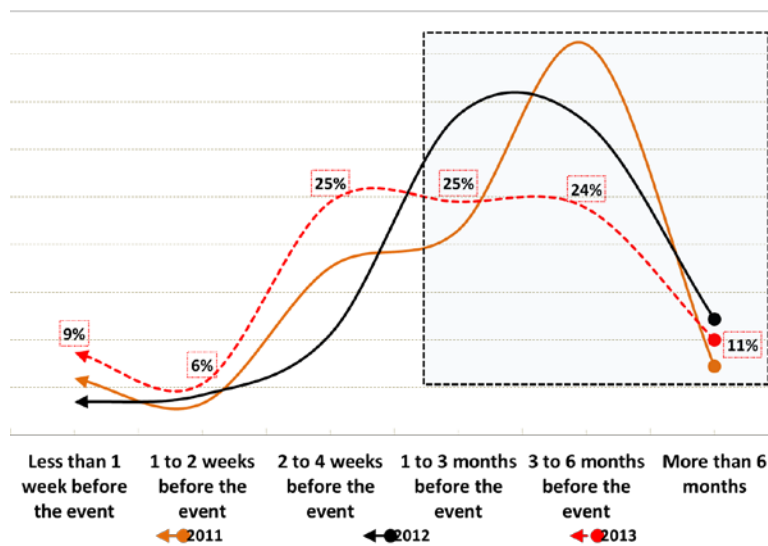


Figure 14 Reservation Window Repeat Attendees (2011 to 2013)





The Experience at the CNSJF

Experience at the CNSJF

Experiential aspects of the festival have surfaced in previous studies conducted by the DPITS. These aspects of the CNSJF are regarded as seemingly more important than the pure content of the festival. In other words, while the music content was an important factor to reckon with, other aspects such as emotions, socialization, fun, and escapism appear to be shaping the behavior of attendees to the CNSJF. The focus of the study this time was, therefore, to investigate the experience of attendees at the festival. Experience is defined as escaping from everyday life, engaging in sensory pleasure, and fostering an increase dosage of memory. A music festival on itself cannot provide the experience, but only the circumstances leading to the experience. This study based its investigation on the fundamental dimensions of experience as they pertain to a music festival, such as hedonism, escapism, memory, visual appeal, entertainment, enjoyment, culture, and excellence.

Experiences are shaped during and after the festival. It is well-known that music festivals temporarily transform a space encouraging attendance to experiment with unfamiliar cultural experiences and to deepen current or make new social connections. The environment of a festival shapes the immediate experience of an attendee arousing sensory pleasure, fun and emotions. This aspect is defined as *spontaneous experience* in this study. After the festival activities, the attendee has the opportunity to ponder and reflect on the experience accumulated during the festival, and the attendee engages in the *ultimate experience*. At this stage the attendee is transposing emotions, such as the level of enjoyment and excitement to memory. These two aspects of experience are closely interconnected with loyalty to the festival.

The study found that hedonism, visual appeal, and entertainment influence the “spontaneous experience”. Hedonism is defined in terms of fun, excitement, and thrill; visual appeal relates to the site of the festival; and entertainment references the music content. On the other hand, excellence and memory define the “ultimate experience”. Excellence pertains to superior quality, while memory is anchored in unforgettable and positive things. The ultimate experience frames the after-talk, the narrative, and preference, thereby defining the content and intensity of referrals and coming back.

Different experience perceptions between Repeat Visitor and The First Timer

When investigating the experience perceptions of repeat attendees compared to first time attendees, the results reveal the existence of significant different perceptions. Segmenting attendees based on the frequency of attendance can provide marketers with valuable information for more cost-effective target marketing. Both repeat and first time attendee groups play a fundamental role in the overall well-being and success of a music festival. Researching the requirements of both repeat and first time attendees is furthermore significant for short-term momentum and hence long-term sustainability with respect to staging a festival.

Repeat attendees consistently scored higher on all items of the experience dimension than first timers. All the mean scores attributed to the repeaters exceeded 6 on a scale



of 7, except price, with a mean score of 5.99 and local people with a score of 5.94. For example, repeat attendees scored significantly higher on all three items of loyalty: intention to come back, first preference, and recommendation ($F=18.146$, $p < 0.001$). Similarly, the enjoyment at the festival was significantly higher for repeaters than first timers ($F=28.011$, $p < 0.001$). Repeaters also attached more significant economic value to the festival than first timers ($F=17.578$, $p < 0.001$) and evaluated the festival as excellent ($F=12.900$, $p < 0.001$).

Table 2 Experience Perception (Repeat Visitor vs. First Time Visitor)

Experience Dimension		Repeat Attendees	First Timers	Mean Difference	F	Sig.
Loyalty	Intention of coming back	6.61	6.14	0.47	18.146	.001
	First preference	6.45	5.73	0.72		
	Recommend	6.68	6.26	0.42		
Visual appeal	Attractive stages and grounds	6.59	6.30	0.30	28.011	.001
	Aesthetically appealing	6.53	6.28	0.25		
	Site looks	6.56	6.30	0.26		
Entertainment	Entertaining	6.70	6.35	0.35	18.669	.001
	Enthusiasm of the festival	6.65	6.33	0.32		
	Entertain beyond the music	6.67	6.31	0.36		
Escapism	Gets me away from it	6.30	6.04	0.25	10.785	.001
	I am in another world	6.27	5.95	0.32		
	I forgot everything else	6.26	5.80	0.46		
	Something I can't experience back home	6.39	5.87	0.51		
Intrinsic Enjoyment	Own sake	6.28	5.91	0.37	7.287	.007
	Pure enjoyment	6.50	6.17	0.34		
Efficiency	Efficient time management	6.27	5.87	0.39	8.020	.005
	Easy organization	6.30	5.93	0.37		
	Fits with my schedule	6.16	5.93	0.22		
Economic value	Ticket price	5.99	5.38	0.61	17.587	.001
	Happy with prices	6.01	5.33	0.68		
	F&B price	6.06	5.52	0.54		
Excellence	Excellence	6.43	5.98	0.45	12.900	.001
	Superior festival	6.34	5.93	0.42		
Preference	Best concert	6.50	5.91	0.60	14.893	.001
	First preference	6.40	5.78	0.62		
Memory	Wonderful memories	6.57	6.31	0.26	5.390	.021
	Won't forget	6.55	6.30	0.25		
	Positive things	6.59	6.29	0.30		
Hedonic value	Thrilled	6.58	6.24	0.34	7.605	.006
	Enjoyed	6.61	6.31	0.30		
	Exciting	6.62	6.27	0.35		
Cultural value	Good impression about locals	6.12	5.72	0.40	13.400	.001
	Local culture	5.96	5.53	0.43		
	Friendly locals	6.51	6.21	0.30		



Loyalty to the CNSJF

Loyalty of attendees to a festival documented over the past four editions of the CNSJF reveals a clear ascendancy. In fact, the degree of loyalty has increased by 38 percent from 2011 to 2013. Table 3 reveals the mean scores of the items comprising loyalty. From Table 3, we notice that both preferences of intention to come back and consideration of CNSJF as the first choice continue unabated. On the other hand, there is a slight decrease in the intensity to recommend the festival.

Over the years, the increase in loyalty is an indication of the strong following of the festival as a brand and the success of the music product. The increase in loyalty suggests that prior consumption of the festival had a significant brand equity effect. Past experience and experience of others appeared to have fostered this loyalty behavior, as was documented in previous reports.

Table 3 Loyalty towards the CNSJF (2010-2013)

Tourist's Loyalty towards CNSJF					Δ from	
	2010	2011	2012	2013	2012	Sig.
Recommend to anyone	6.40	6.04	6.53	6.43	-0.10	-2.093*
Intention of coming back	5.89	6.11	6.36	6.33	-0.03	-0.608
Consider CNSJF my first choice	5.56	5.84	6.11	6.02	-0.09	-1.323
Note: * $p < .05$						

CNSJF & the Destination: Loyalty Overtones

During the last 4 editions, the CNSJF has been recognized by multiple media outlets as the premier music festival in the Caribbean.⁶ The quality of this event not only continues to enhance its own reputation, but a better perception of the destination. For such reasons, this study proceeded to investigate the overtones of loyalty to the festival. Two specific variables were considered in this respect. The study looked initially at experience as the potential driver of loyalty. The experience stemming from the festival can be considered under the direct control of the festival; in other words, experience is an endogenous variable. On the other hand, the local people and its culture were also considered as potential drivers of loyalty to the festival. Locals and their culture can be defined as exogenous to the festival. This means that the festival does not have control over the interactions that take place beyond the festival perimeters.

The CNSJF Experience and Loyalty

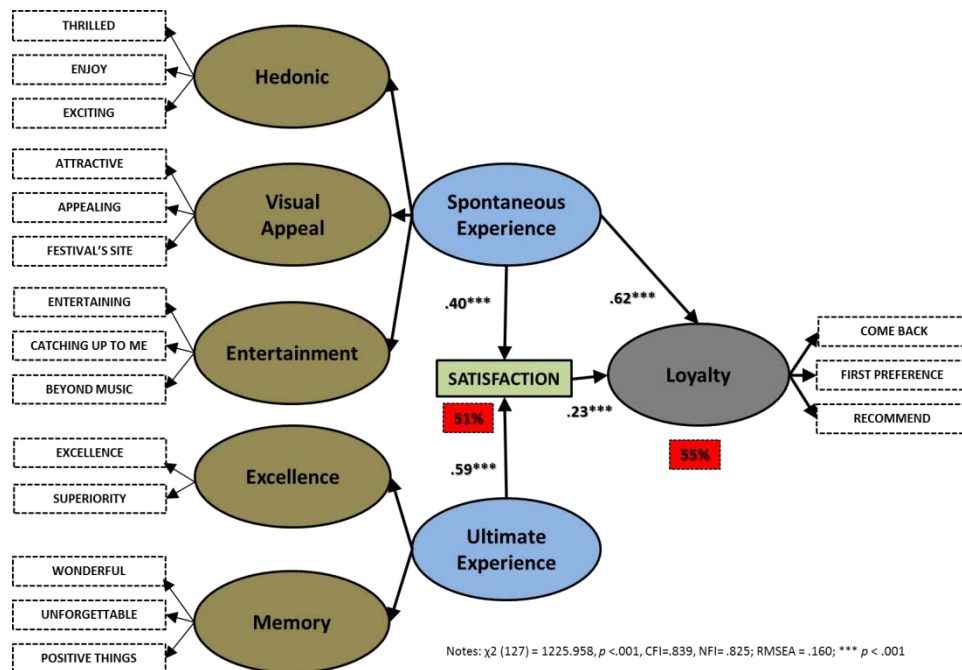
The study found that both experience dimensions (spontaneous and ultimate experience) influenced the level of satisfaction with regard to the festival. Fifty-one percent of the variance in satisfaction is explained by these two dimensions of experience. Satisfaction, on its turn, positively affected loyalty in all its dimensions (i.e., coming back, first preference and recommend). However, Figure 15 reveals that only spontaneous experience had a direct effect on loyalty. In other words, the experience

⁶ See, for example, <http://finance.yahoo.com/news/superstar-prince-joins-impressive-lineup-123000804.html> and http://www.nytimes.com/2012/03/18/travel/with-curacao-music-you-can-hear-the-cultural-mix.html?_r=0.

induced by fun, excitement, entertainment, and the appeal of the site of the festival directly defined the intensity of loyalty. The attendees' interactions during the festival play an important role in building loyalty to future editions of the festival. Therefore, the festival itself has become a differentiated experience that the market considers as a prominent event.

On the other hand, "ultimate experience" was defined by excellence and memory, and not by culture. This is an indication that the interaction with the local culture seems to have little effect in shaping the final experience of the international attendees. The absence of culture in influencing the final experience combined with the fact that "ultimate experience" on its turn did not influence loyalty should be a reason for concern (See Figure 15). In the next section, the interaction with the local people and local culture are assessed in more details.

Figure 15 Loyalty Drivers to the CNSJF



CNSJF, the Townsfolk and Culture: Their predicaments

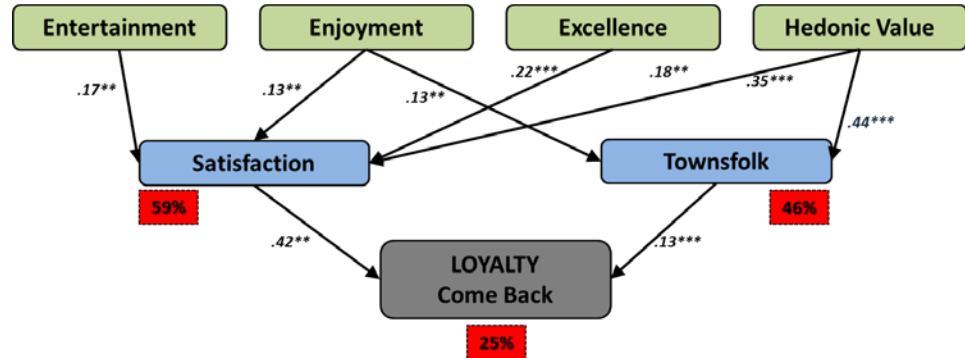
The Role of Townsfolk: In Tourists Coming Back or First Choice

Satisfaction and townsfolk (the interaction with local people) are drivers of loyalty to the festival as revealed by Figure 16. Here loyalty is defined as an intention to come back to the festival in the future. Compared to townsfolk, satisfaction is a stronger driver for attendees' intention to come back. In fact, satisfaction is four times stronger than townsfolk in driving loyalty (the coefficient of satisfaction is 0.42 compared to 0.13 of townsfolk). These findings suggest that it is mainly the experience at the festival that resonates with coming back, while the local people seem to have an ephemeral influence on the degree of coming back to the festival. The analysis also found that entertainment, enjoyment, excellence, and hedonism strongly influence satisfaction of the festival. On the other hand, the enjoyment and hedonic value of the CNSJF have a



positive effect on the perception of the local townsfolk. This means that the loyalty to the CNSJF has been burgeoning mainly without the support of the people and by its own merits.

Figure 16 Loyalty, the Holistic Experience, and the Townsfolk Image

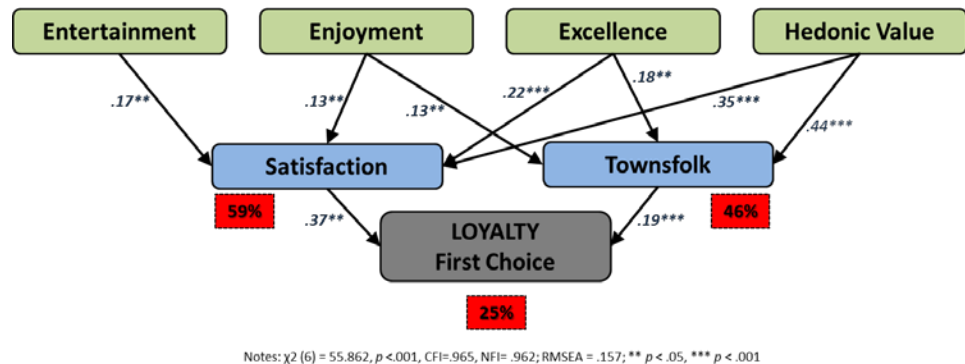


The Role of Townsfolk in Making the CNSJF the Preferred Choice

The townsfolk seems less influential on the level of loyalty to the festival, measured by attendees' consideration of the festival as their preferred choice, hence its brand equity. The festival through the dimensions of enjoyment and pleasure is enhancing the image of the local people in the eyes of the international attendees. In other words, the festival has yielded a positive perspective through which local people and culture can foster their image enhancement. The more pleased the attendees are at the festival the more positively they tend to perceive the local people. A similar pattern is observed when loyalty is defined as their first preferences.

There is an opportunity for developing ownership and pride of the CNSJF by the local community; this in turn could elevate the CNSJF and the destination image to a new level. Therefore, increase visitation to the festival could become a desired aftereffect by strengthening the image of Curaçao.

Figure 17 First Choice, the Holistic Experience, and the Townsfolk Image

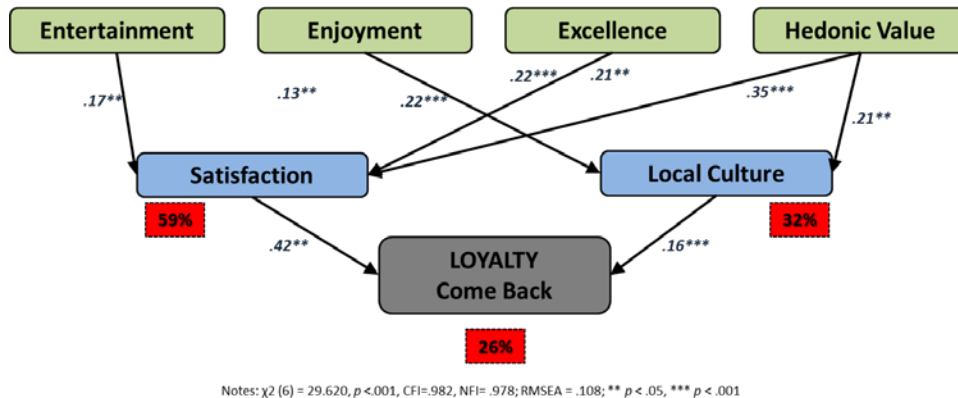




The Role of Culture in Tourists Coming Back

In all these dimensions of loyalty, satisfaction triggered by the experience accumulated during the festival was a much stronger predictor than local people and local culture as revealed by Figure 18. Respondents provided a clear picture regarding loyalty to the festival: intention to return, to recommend, or to have the festival as first choice is significantly influenced by satisfaction with the festival. And satisfaction with the festival is intimately blended with respondents’ experience.

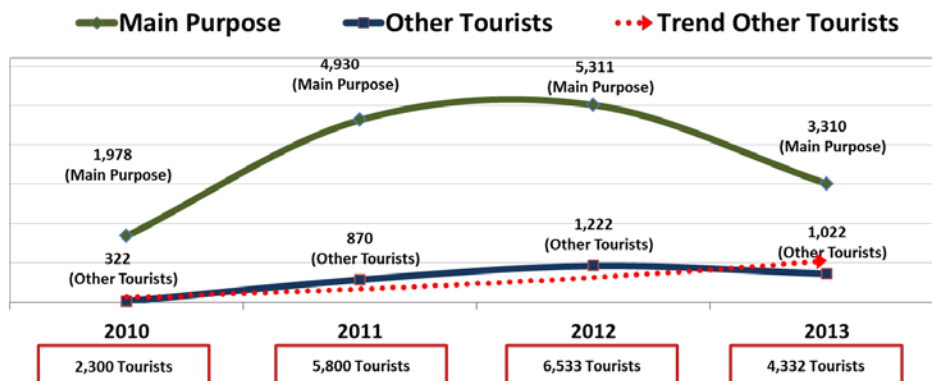
Figure 18 Loyalty, the Holistic Experience and the Local Culture Image



The Economic Impact of the CNSJF

A total of 4,332 tourists attended the festival, which were 2,000 less tourists compared to 2012. The number of 4,332 represents, however, almost twice as many tourists when compared to the initial year of the festival in 2010. Figure 19 reveals the comparison of the attendance over the timespan of four years. Three thousand ten tourists reported they visited Curaçao due to the festival. The other 1,022 tourists visited Curaçao for other reasons.

Figure 19 Tourists Attending CNSJF (2010 to 2013)





Eight out of ten tourists attending the festival reported that the main reason for being in Curaçao was the festival. Forty percent of those whose main reason was attending the festival were repeat visitors to the festival. Repeat visitors to the festival are increasingly attending both days of the festival (two days) and spent 6.15 nights on the island. The length of stay of this group was similar to the year before. First timers attending the festival tend to stay longer on the island, displaying an upward trend in their length of stay over time. Figure 20 reveals the stay over patterns distributed by frequency of visit from 2011 to 2013. Overall, the stay over time for 2013 was 5.49 nights, while the party size was 2.23.

Figure 20 Average Length of Stay Repeat Attendees (2011 to 2013)

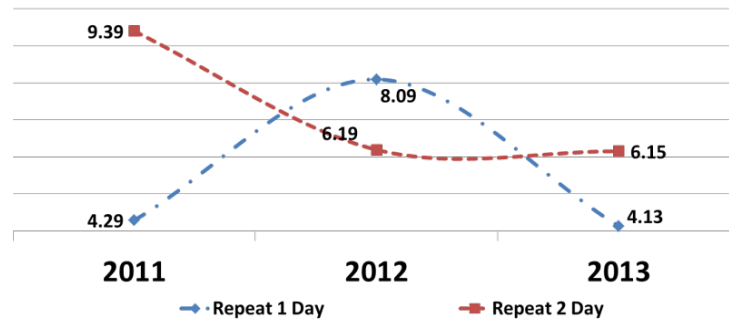
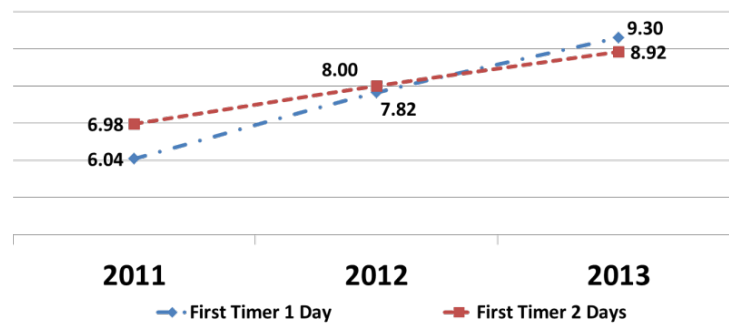


Figure 21 Average Length of Stay First Timers (2011 to 2013)



Respondents indicated that an overwhelming majority of repeat visitors to the festival were attending the festival during both nights. In fact, nine out of ten repeat visitors (90%) to the festival attended both nights of the festival. This behavioral pattern has remained stable over time as revealed in Figure 21. On the other hand, more first timers are attending the festival during one night only, as indicated in Figures 22 and 23. The latter could be an indication that newcomers to the festival preferred to feel out the festival first, converting at a later time to a repeater, and buying the two nights of the festival.



Figure 22 Festival Attendance 1 day vs. 2 days First Time Attendees Only

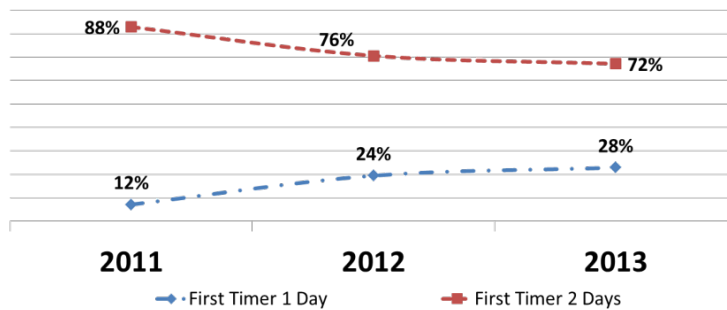
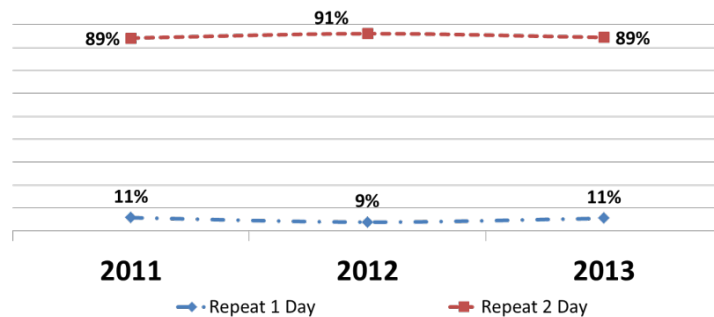


Figure 23 Festival Attendance 1 day vs. 2 days Repeat Attendees Only

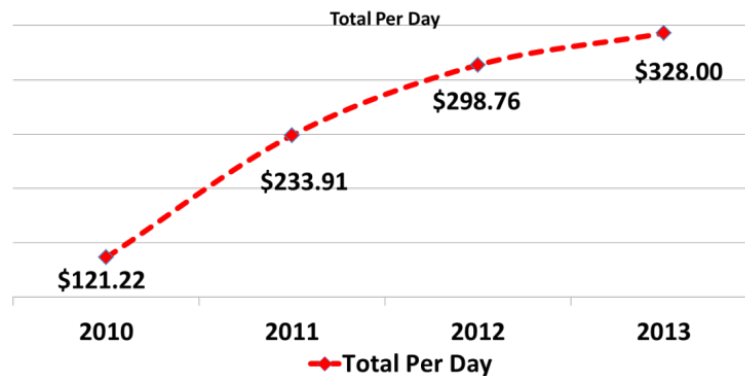


Direct Spending

The spending per tourist per day was US\$328.00. This amount was 10 percent more than the spending per tourist per day (US\$299.00) in the previous. When the spending amount of 2013 is compared to the initiation year of the festival in 2010, the increase in spending per tourist per day is a whopping 171 percent. The remarkable high spending per tourist is a surprising accomplishment particularly in light of the gravity of the Great recession and gripping uncertainty in the global markets. For example, the economic recovery in the Netherlands (which is the largest market to the CNSJF) is incomplete. Employment continues to suffer with harmful effects for vacation intentions of the Dutch.⁷

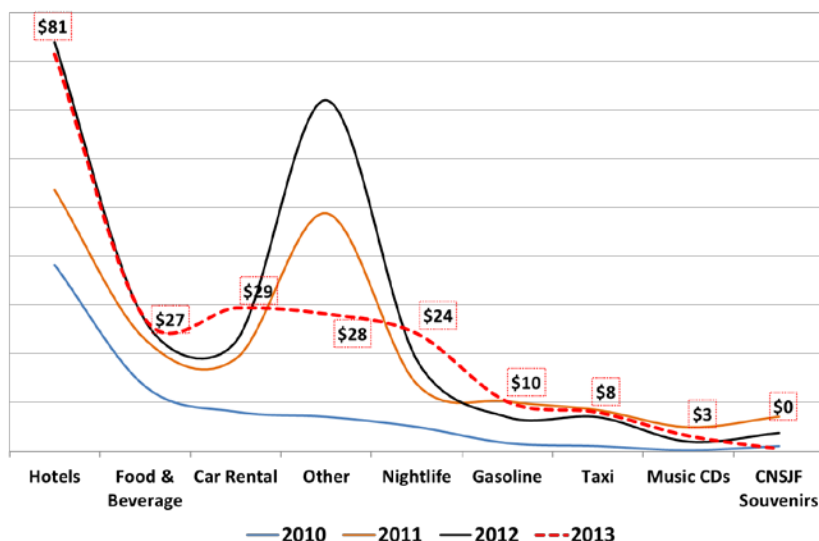
This impressive increase in spending is an indication of the affluent market that the festival has been able to draw to the island of Curaçao. Figure 24 documents the evolution of the spending per day since the first year of the festival.

⁷ See, for example, NRIT Media, NBTC Holland Marketing and CELTH (2013). *Tendrapport toerisme, recreatie en vrije tijd 2013*.

**Figure 24 Tourist Spending Per Day 2010-2013****Table 4 Tourist Spending Profile**

	Festival Main Purpose		
	Party Size	LOS	
	2.23	5.49	
	Per Trip	Per Day	%
Tickets	\$234.15	\$117.07	17%
Lodging (including F&B @ Hotel)	\$446.93	\$81.41	32%
Car Rental	\$161.29	\$29.38	12%
Other	\$154.56	\$28.15	11%
Food & Beverage (elsewhere)	\$148.56	\$27.06	11%
Nightlife (bars and pubs)	\$132.51	\$24.14	9%
Gasoline	\$55.73	\$10.15	4%
Taxi	\$43.68	\$7.96	3%
CNSJF Souvenirs	\$17.28	\$3.15	1%
Music CDs	\$2.56	\$0.47	0%
Total	\$1,397.26	\$328.93	100%

Overall, tourists spent more money on hotels (32%), tickets (17%), car rental (12%), restaurants (11%) and night life (9%). It is interesting to point out that only 17% of the direct spending of the tourists accrued to the festival itself (or the organizer). In other words, 83% of the direct spending of the tourists went to suppliers and service providers on the island of Curaçao. Table 4 displays the tourist spending distribution as reported by the respondents in 2013. Figure 25 reveals spending distribution over time. The spending pattern, on a per day basis, has remained stable since 2010.

**Figure 25 Spending per Day Comparison (2010-2013)**

The Total Economic Impact

The economic impact analysis for the 2013 CNSJF, similar to previous years was based on the I-O model calibrated in the Tourism Economic Impact 2007-2008 Report.⁸ For this year, however, the report only estimated the economic impact stemming from the direct spending of the tourists and the organizer of the festival (the production of the festival). As indicated in the introduction section, residents' contribution was this year left out from the final estimation.

The total direct economic impact amounted to US\$4.34 million dollars. Compared to 2012, the amount for 2013 decreased by 32 percent. The reason for this decrease is attributed to presence of fewer tourists who stayed fewer days in Curaçao. The average length of stay dropped by almost two days compared to 2012. However, if 2013 is compared to the initial year of the festival in 2010, the increase in total direct contribution to the economy is astounding: nearly 100% increase in contribution (98.6%).

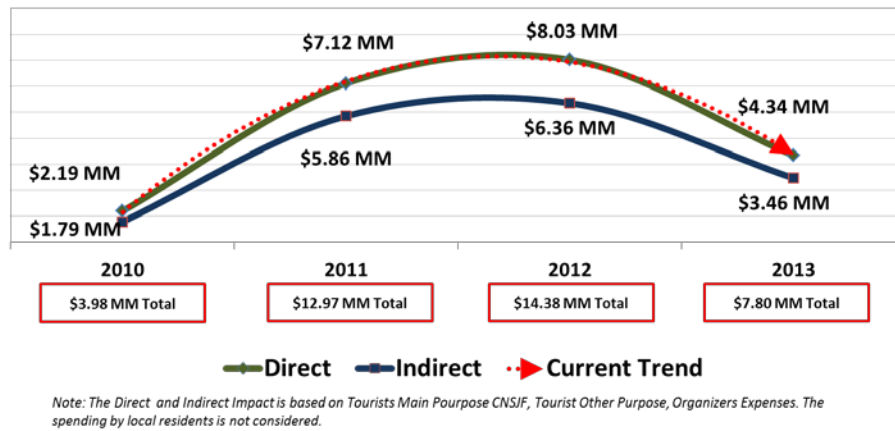
The indirect economic impact was estimated at US\$3.46 million, while the total economic contribution to the economy amounted to US\$7.8 million. The 2013 total impact was 46 percent less than the previous year. While the latter amount is US\$6.6 million less when compared to 2012, this amount is still twice as much when compared to the inception of the festival in 2010 (US\$3.9) (see Figure 26). An interesting observation is that this year the international visitors stayed two fewer days in Curaçao. Based on the spending per person per day, those two days meant a potential loss in revenue exceeding US\$5 million to the local economy. In other words, if an average international festival attendee has stayed in Curaçao two more days, the total economic impact would have increased to US\$12.8 million. When considering this statistical

⁸ See Croes, R., Rivera, M., and Semrad, K. (2010). Curaçao Tourism Economic Impact 2007-2008, report prepared for the Curaçao Tourist Board, DPIITS, Orlando, September 15.



offset, the difference in economic impact between 2012 and 2013 would have been US\$1.6 million.

Figure 26 Total Economic Impact (2010 to 2013)



THE ROAD AHEAD

Several meaningful themes can be culled from the results. The music festival is a distinct expression of quality organization and musical content. The festival is a manifestation of quality of production, presentation, and musical content. Attendees are highly educated, affluent, and have demonstrated the willingness to spend a significant amount of money while on the island. The festival's content is highly correlated with their experience which is defined as “spontaneous experience” and “ultimate experience”. The festival has soundly managed those factors that were in its control, such as an attractive site, entertainment, line-up, and excitement of the event, exceeding the music content that attendees enjoy for their own sake. These factors have fostered a high level of satisfaction, manifested by more than 90 percent of international visitors defining the CNSJF as the best concert they have attended. The anatomy of the festival, seen through the experience and the price paid, is a rare accomplishment in the global music festival landscape.

The large number of repeaters attending the festival (four out of six international visitors) also testifies about its level of quality. Forty percent of international festival goers are repeaters, booking with a lead time exceeding three months; they are the most satisfied with their experience at the festival, and, therefore, they are more likely to come back and recommend the festival. The repeaters are also increasingly buying both nights of the music festival. They are staying on average an additional 3 nights as well as roaming, spending, and buying the island offerings. Their experience shapes their after-talk with others and hence has become an important source of information diffusion about the festival. This group of loyal followers is steadily morphing into a distinct group of attendees, identified as Dutch Caribbean, Island Hoppers and U.S. Hispanics.

The festival has become an important tool in enhancing the image of Curaçao and its people. The international media from multiple countries are portraying a highly positive



image of the island due to the festival. The festival has become “international news” attracting the attention of the international media to the island; its ‘free’ coverage has saved the islands millions of dollars in marketing and promotion. In addition, the positive coverage of Curaçao and its people is repositioning the island as an island of quality, fun, excitement, and culture. The festival provides another spin to the image of the local people and its culture. In providing a highly satisfied experience, the study has demonstrated that the festival directly enhances the image of the local people. The mission of FBI, as articulated by its founder and owner, has clearly been advanced through the organization of the festival.

The economy of Curaçao has been the clear beneficiary of the festival. The spending per day per person has been steadily increasing during the past four years. The increase over those four years (2010-2013) has been an astounding 171 percent, reaching US\$328.00 per day. This amount reveals one of the highest visitors’ spending when attending a music event in the world. Interestingly, while the burden of all the production and marketing costs related to the festival were solely borne by the founder and organizer of the CNSJF, only 17 percent of the direct spending of the international visitors accrued to the organizer. The remainder of the money was spent throughout the island.

The festival has become an important boon for the island and the tourist industry. During the four years of its existence, the festival through international visitors alone has generated a total of US\$39 million to the local economy. This amount represents 1.4 percent of the Curaçao annual GDP or 10 percent of tourist receipts in 2012. The huge contribution of the festival to the tourist industry, the local economy and the image of the local people and its culture was not corresponded with popular excitement regarding this magna music event. It was surprising to the researchers of this study to observe that the promotion of the festival was poorly supported by hotels, restaurants, and shops. There were no banners on the street and no signs of the largest musical celebration on the island. The airport also denied access for the display of promotional material of the festival. The impression was that the festival was poorly supported by those who benefited the most from festival’s attendees.

The hotel sector on the island was the largest beneficiary of the festival. This sector amassed 32 percent of the total spending stemming from the festival. In fact, the hotels were able to consistently extract about US\$81.00 per person per day during the past four years. This accomplishment, however, may well become the Achilles heel of the festival and the albatross of the island economy. In other words, this accomplishment seems to mask a threat, which if not checked, may hurt the festival, the hotels themselves, and ultimately, the island economy.

In our report of last year, we already warned against aggressive pricing of the hotels which was conceived as not being aligned with the value received from the local hotels. While last year we found anecdotal evidence supporting this claim, this year the international visitors made it clear by staying two fewer days in Curaçao. Based on the spending per person per day, those two days meant a potential loss in revenue exceeding US\$5 million to the local economy.



Capacity constraints also affected the festival in other negative ways. The bankruptcy of a local carrier reveals how vulnerable the festival was with regard to exogenous factors. Finding a quick alternative to redirect potential international visitors to the festival turned out not to be feasible. This lack of alternative channels of accessibility may well have been the culprit of the drop in the numbers of visitors from Aruba. The 33 percent drop in Aruba visitors ultimately hurt the attendance numbers to the festival. Supply constraints clearly highlighted the vulnerability of the festival.

There is, however, a larger threat looming onto the festival. The findings suggest that the positive experience enjoyed at the festival by the visitors enhances their image of the local people and culture. On the other hand, the findings also suggest a lack of equivalence from the local people supporting the festival. The connection from the local people towards the visitors seems at best modest and has thus far had little effect on enhancing the loyalty of the visitors towards the festival. In other words, locals are playing a disconcertingly small role in convincing visitors to return or recommend the festival and Curaçao as an augmented product. Therefore, the major concern pertaining to this disconnect is the increasing probability that a breakdown between the image of the festival, which is the core product, and the supporting products (i.e. Curaçao's tourism industry and the locals) will adversely affect the festival's brand resulting in brand erosion.

The festival has generated a memorable experience to many visitors. Fortuitous circumstances aside, the festival should consider and pursue more aggressively those components shaping and defining the experience during and after the festival. For example, the visual appeal of the festival is still relevant, as the consumers' interpretation of the physical environment around is important.

The CNSJF setting is designed to showcase attractiveness and appeal which, in turn, creates a desirable experience that plays an important role in determining visitors' satisfaction, future patronage intentions, and willingness to recommend. However, after four editions, it is important to realize that the investment made is paying off and new strategies need to be considered to enhance the experience, more specifically the entertainment and hedonic experience. It seems that the continuous appeal of the festival would be more than just music: careful crafting experiences that appeal directly to the basic human need for thrill and connection.

The entertainment value of the CNSJF reflects an appreciation of the festival to be catching, and the entertainment must go beyond the music. The attendees already perceive the festival for the sake of entertainment; therefore more attention should be given to craft situations or “trigger points” that consciously or unconsciously lift the spirit, as it drives the desired dimensions of loyalty.

The findings of this report reminded us that a pleasurable feeling also promotes loyalty to the event. The hedonic experience at the CNSJF captures the esthetic, intangible, and subjective aspects of the consumption in terms of attendees seeking fun, fantasy, arousal, sensory simulation, and enjoyment. The ultimate goal of the festival organizers and the destination should be to take advantage of all the high caliber facilities and supplement them with very specific “trigger points” and staged situations. With the support of the townsfolk and Curaçao's human intellect, this will capture the essence of



the CNSJF mission and continue putting Curaçao at the forefront of the international arena when it comes to tourism.

After the fourth year of production, the festival has reached a crucial cross road. The challenge of the future of the festival has never been the premium price that international visitors pay. On the contrary, international visitors are highly satisfied with the experience and value stemming from the festival, and are willing and able to pay the premium. But this premium is aligned with value. There is a disconnect, however, between the experience and value provided by the supporting sectors of the festival. These sectors seem to pursue an aggressive pricing strategy without providing a commensurate value. While it is a hospitality industry practice to increase prices during peak demand periods, what is not a practice is that the service and product value drops and functional operations are below standards because of high occupancy.

The future of the festival requires substantive and substantial support from all stakeholders, including the government and the population at large. Without such large scale support, the festival may have seen its best days due to the unsurmountable challenges imposed by the destination supply constraints, misalignment in pricing and value of tourist offerings, and lack of a long term vision regarding the role of the CNSJF as a potent development tool.

**ANNEX****Table 5 Economic Impact of Organizers**

Sectors	Direct Impact	Indirect Impact	Total Impact	Δ% from 2012	Δ\$ from 2012	Total Impact 2012
Agriculture	\$0.00	\$29,462.33	\$29,462.33	-10%	-\$3,038	\$32,500
Manufacturing	\$0.00	\$176,872.43	\$176,872.43	-15%	-\$25,887	\$202,759
Utilities	\$0.00	\$33,313.17	\$33,313.17	24%	\$8,096	\$25,217
Construction	\$374,708.03	\$15,998.03	\$390,706.06	-58%	-\$228,443	\$619,149
Wholesale/Trade	\$103,712.90	\$0.00	\$103,712.90	32%	\$33,650	\$70,062
Hotels-Restaurants	\$159,298.40	\$22,970.29	\$182,268.69	37%	\$66,854	\$115,415
Transportation	\$310,209.71	\$73,987.93	\$384,197.64	17%	\$67,163	\$317,035
Finance	\$0.00	\$126,433.27	\$126,433.27	8%	\$10,189	\$116,245
Real Estate	\$34,323.98	\$66,918.34	\$101,242.32	2%	\$1,541	\$99,702
Government	\$0.00	\$0.00	\$0.00		\$0	\$0
Education	\$0.00	\$2,501.85	\$2,501.85	4%	\$102	\$2,400
Health	\$0.00	\$1,801.89	\$1,801.89	8%	\$135	\$1,666
Other	\$0.00	\$65,298.51	\$65,298.51	16%	\$10,650	\$54,648
Totals	\$982,253.03	\$615,558.04	\$1,597,811.07	-4%	-\$58,987	\$1,656,798

Table 6 Economic Impact Tourists Other Purpose 2013

Sectors	Direct Impact	Indirect Impact	Total Impact	Δ% from 2012	Δ\$ from 2012	Total Impact 2012
Agriculture	\$0.00	\$16,531.78	\$16,531.78	-15%	-\$2,432	\$18,964
Manufacturing	\$0.00	\$50,298.35	\$50,298.35	-15%	-\$7,399	\$57,697
Utilities	\$0.00	\$21,367.15	\$21,367.15	-15%	-\$3,143	\$24,510
Construction	\$0.00	\$3,846.98	\$3,846.98	-15%	-\$566	\$4,413
Wholesale/Trade	\$0.00	\$0.00	\$0.00		\$0	\$0
Hotels-Restaurants	\$199,076.19	\$6,145.16	\$205,221.35	-15%	-\$30,188	\$235,409
Transportation	\$0.00	\$12,968.08	\$12,968.08	-15%	-\$1,908	\$14,876
Finance	\$0.00	\$43,102.52	\$43,102.52	-15%	-\$6,340	\$49,443
Real Estate	\$0.00	\$15,356.13	\$15,356.13	-15%	-\$2,259	\$17,615
Government	\$0.00	\$0.00	\$0.00		\$0	\$0
Education	\$0.00	\$478.26	\$478.26	-15%	-\$70	\$549
Health	\$0.00	\$337.65	\$337.65	-15%	-\$50	\$387
Other	\$0.00	\$16,053.71	\$16,053.71	-15%	-\$2,361	\$18,415
Totals	\$199,076.19	\$186,485.76	\$385,561.95	-15%	-\$56,716	\$442,278


Table 7 Economic Impact Tourists Main Purpose 2013

Sectors	Direct Impact	Indirect Impact	Total Impact	Δ% from 2012	Δ\$ from 2012	Total Impact 2012
Agriculture	\$0	\$188,534	\$188,534	-89%	-\$167,909	\$356,443
Manufacturing	\$0	\$661,502	\$661,502	-96%	-\$633,406	\$1,294,908
Utilities	\$0	\$270,376	\$270,376	-108%	-\$293,331	\$563,707
Construction	\$0	\$49,809	\$49,809	-112%	-\$55,827	\$105,636
Wholesale/Trade	\$358,527	\$0	\$358,527	-390%	-\$1,396,969	\$1,755,496
Hotels-Restaurants	\$2,231,278	\$95,752	\$2,327,030	-89%	-\$2,062,404	\$4,389,434
Transportation	\$564,882	\$249,808	\$814,690	-69%	-\$565,955	\$1,380,644
Finance	\$0	\$617,787	\$617,787	-111%	-\$686,434	\$1,304,221
Real Estate	\$0	\$244,306	\$244,306	-131%	-\$318,847	\$563,153
Government	\$0	\$0	\$0	\$0	\$0	\$0
Education	\$0	\$8,458	\$8,458	-115%	-\$9,711	\$18,169
Health	\$0	\$6,462	\$6,462	-147%	-\$9,492	\$15,954
Other	\$0	\$269,887	\$269,887	-99%	-\$266,388	\$536,275
Totals	\$3,154,686	\$2,662,681	\$5,817,367	-111%	-\$6,466,673	\$12,284,040

Table 8 Total Economic Impact 2013

Sectors	Direct Impact 2013	Indirect Impact 2013	Total Impact 2013	Δ% from 2012	Δ\$ from 2012	Total Impact 2012
Agriculture		\$234,528	\$234,528	-74%	-\$173,379	\$407,907
Manufacturing		\$888,673	\$888,673	-75%	-\$666,691	\$1,555,365
Utilities		\$325,056	\$325,056	-89%	-\$288,378	\$613,434
Construction	\$374,708	\$69,654	\$444,362	-64%	-\$284,835	\$729,198
Wholesale/Trade	\$462,239		\$462,239	-295%	-\$1,363,319	\$1,825,558
Hotels-Restaurants	\$2,589,652	\$124,868	\$2,714,520	-75%	-\$2,025,738	\$4,740,258
Transportation	\$875,092	\$336,764	\$1,211,855	-41%	-\$500,699	\$1,712,555
Finance		\$787,322	\$787,322	-87%	-\$682,585	\$1,469,908
Real Estate	\$34,324	\$326,581	\$360,905	-89%	-\$319,565	\$680,470
Government		\$0	\$0	\$0	\$0	\$0
Education		\$8,602	\$8,602	-146%	-\$12,516	\$21,118
Health		\$351,239	\$351,239	95%	\$333,231	\$18,008
Other	\$4,336,015	\$3,464,725	\$7,800,740	92%	\$7,191,401	\$609,338
Totals	\$4,336,015	\$3,453,287	\$7,789,302	-85%	-\$6,593,814	\$14,383,116



→ A TIDAL WAVE WITH MUSIC

Good evening

My name is Harry Belafonte and I am an Artist. It is said that Artists are the “Gate Keepers of Truth’... that Artists are “Civilizations Radical Voice” Those of you who are gathered here this evening have come to celebrate.... to enjoy the gift of being. You have come here to be anointed... by the many Artists who bring you their gift. They will entertain you... inform you... it is their hope that in the end you will be inspired. But I am also standing here tonight to share with you a story of a global tragedy that is all too persistent. A story that must be heard.

Right now, standing here in Curacao the time is 6:35pm... one hour from now, at 7:35pm... more than 400 children will have died. For every minute that ticks away seven children will die. By the end of the day 10,000 children will have left us. By the end of the year 4,000,000 children will have died.... not from WAR... not from FAMINE ... they will die... from POVERTY... from human neglect... they will die from OUR indifference... and all of them will be LESS than FIVE years old.

POVERTY is a cruel thing... it kills hope... it kills opportunity... it suffocates life. In 1985 I called together a number of artists to use their collective gift of creativity... the power of their global popularity to shine a light on the darkness of hunger and human desperation and in answer to the call they gave us (sing “WE ARE THE WORLD, WE ARE THE CHILDREN , WE ARE THE ONES TO MAKE A BETTER DAY SO LET’S START GIVING”) With that song and with those artists the world paid attention and, for a moment, lived up to the image of its greater self. But all too soon that world drifted. It closed its eyes to the good deeds it had done.

Today more than two billion people live in poverty. More than one billion people live on less than a dollar a day. Poverty tells the story of who we are.... it often reveals the dark side of our beliefs, our emotions our feelings. Poverty impinges on our dignity, our happiness, it harvests humiliation and cultivates fear.

For over a quarter of a century I have served the “UNITED NATIONS INTERNATIONAL CHILDRENS EMERGENCY FUND. UNICEF. WE HAVE NEVER TURNED AWAY FROM THE NEEDS OF OUR CHILDREN GLOBALLY, BUT ALL TOO OFTEN OUR HUMAN RESOURCES STRUGGLE TO KEEP UP WITH THE CONSEQUENCES OF MANS INHUMANITY TO MAN. BUT DESPITE ALL THIS, WE STAY THE COURSE. In 2015, just two years from today, the United Nations has set FOR US A GOAL ...A GOAL FOR THE WORLD to CUT IN HALF the OVERWHELMING number of ITS poor. This WORTHY cause has inspired many to join efforts to help alleviate poverty. There is no better moment for music to speak to our hearts, to connect us with those who are suffering. . ALL OF YOU HERE GATHERED THIS EVENING CAN VALIDATE THE BELIEF THAT MUSIC HAS THE POWER TO BE A COMPASS FOR THE HUMAN HEART. THE POWER TO AWAKEN OUR DEEPER HUMANITY TO THE BELIEF THE ALL THAT IS WRONG WITH OUR WORLD IS FIXABLE.

Wherever in the world you live, wherever you may be, you will hear the sound of music and the voice of singers calling you to support our campaign to end poverty. At that moment you should let your voice be part of our chorus, for you to sing our song to end poverty.

In the end this will be a story to tell our children and OUR grandchildren that we were part of the TIDAL WAVE for a more humane world.

THANK YOU. ENJOY THE EVENING, ENJOY OUR ARTISTS. ENJOY THEIR MUSIC

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